



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

September 23, 2005

James P. White, Treasurer
Republican Campaign Committee
of New Mexico
P.O. Box 94083
Albuquerque, NM 87199

Response Due Date:
October 24, 2005

Identification Number: C00020818

Reference: September Monthly Report (8/1/05 – 8/31/05)

Dear Mr. White:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule H4 of your report to clarify the following descriptions: "Generic Voter Registration" and "Lincoln Day Percentage." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule B supporting Line 22 of your report discloses a disbursement for an apparent refund or rebate to your non-federal account for a previously allocated expense. Please be advised the refund or rebate must be allocated between the federal and non-federal accounts according to the same allocation ratio used to allocate the original disbursement. Furthermore, the federal account must transfer the non-federal portion to the non-federal account using one of two methods.

The method of reporting described in Advisory Opinion 1995-22 allows a committee to itemize the refund or rebate as a negative entry on Schedule H4. Alternatively, a committee may disclose the receipt of the refund or rebate into the federal account on Schedule A supporting Line 15, and the

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transfer of the non-federal account's share to the non-federal account on Schedule H4. Please refer to the enclosed sample of properly reported refunds and rebates of allocable activity and amend your report as appropriate.

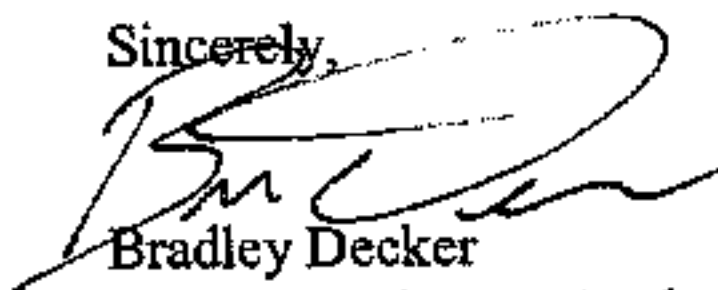
-Schedule H4 of your report discloses payments to the Republican Party of Bernalillo County, the Republican Party of Sandoval County, Otero County Treasurer, San Miguel County Assessors Office and various individuals which are categorized as Administrative expenses; however, the purposes of disbursement disclosed are "Generic Voter Registration" and "Voter List". Please be advised that payments made for your committee's generic voter drive activities, that do not qualify as Federal election activities and that are not party exempt activities, should be categorized as Voter Drive expenses on Schedule H4. Please amend your report to clarify the appropriate category for these activities or provide clarifying information regarding these apparent discrepancies.

-Schedule H4 of your report discloses a payment to Petty Cashier for "office supplies, vol. mail." Please be advised that a political committee may maintain a petty cash fund out of which it may make expenditures not in excess of \$100 to any person per purchase or transaction. 11 CFR §102.11 Please provide clarifying information regarding this activity.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1301.

Sincerely,



Bradley Decker
Campaign Finance Analyst
Reports Analysis Division

ALLOCATION OF REBATE (H4) (METHOD 1)

SCHEDULE H4 (FEC Form 3X) DISBURSEMENT FOR SHARED FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE				PAGE 1 OF 1 FOR LINE 21a OF FORM 3X
NAME OF COMMITTEE (in full) Freedom Party State Committee				
A. Full Name (Last, First, Middle Initial) Acme Office Supplies		Allocated Activity or Event: <input checked="" type="checkbox"/> Administrative <input type="checkbox"/> Fundraising <input type="checkbox"/> Other		
Mailing Address 111 Paddock Road St.		Water Drive <input type="checkbox"/> Direct Candidate Support <input type="checkbox"/>		
City City	State ST	Zip Code 00000	Allocated Activity or Event Year-To-Date \$6,400.00	
Purpose of Disbursement: Rebate		(00)	Date 03 15 2004	
Activity or Event Location:		Category Type		
FEDERAL SHARE +		NON-FEDERAL SHARE =	TOTAL AMOUNT	
-144.00		256.00	-400.00	

RECEIPT OF REBATE (A/LINE 15) (METHOD 2)

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE 15 (SUMMARY PAGE) (check only line) 11a 11b 11c 11d 11e 11f 11g 11h 11i 11j 11k 11l 11m 11n 11o 11p 11q 11r 11s 11t 11u 11v 11w 11x 11y 11z
Any information supplied from these Reports and Statements may not be used or cited by any person for the purpose of soliciting contributions or for campaign purposes other than using the name and address of any political committee to solicit contributions from such persons.			
NAME OF COMMITTEE (in full) Freedom Party State Committee			
A. Full Name (Last, First, Middle Initial) Acme Office Supplies		Date of Receipt 03 04 2004	
Mailing Address 111 Paddock Road St.		Amount of Each Receipt this Period 400.00	
City City	State ST	Zip Code 00000	Rebate
FEC ID number of contributing individual political committee: C		Amount of Each Receipt this Period 400.00	
Name of Employer Acme Office Supplies		Rebate	
Occupation Sales		Rebate	
Receipt for: <input type="checkbox"/> Primary <input type="checkbox"/> Campaign <input type="checkbox"/> Other (specify)		Aggregate Year-to-Date 400.00	

NONFEDERAL TRANSFER (H4) (METHOD 2)

SCHEDULE H4 (FEC Form 3X) DISBURSEMENT FOR SHARED FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE				PAGE 1 OF 1 FOR LINE 21a OF FORM 3X
NAME OF COMMITTEE (in full) Freedom Party State Committee				
A. Full Name (Last, First, Middle Initial) Freedom Party State Committee Nonfederal Account		Allocated Activity or Event: <input checked="" type="checkbox"/> Administrative <input type="checkbox"/> Fundraising <input type="checkbox"/> Other		
Mailing Address 111 Paddock Road St.		Water Drive <input type="checkbox"/> Direct Candidate Support <input type="checkbox"/>		
City City	State ST	Zip Code 00000	Allocated Activity or Event Year-To-Date \$0.00	
Purpose of Disbursement: Transfer of Nonfederal Share of Rebate		(00)	Date 03 15 2004	
Activity or Event Location: (See Schedule A)		Category Type		
FEDERAL SHARE +		NON-FEDERAL SHARE =	TOTAL AMOUNT	
256.00		144.00	-400.00	

9. Refunds and Rebates of Allocable Expenses

If a committee receives a refund or a rebate of an allocable expense, the refund or rebate must be deposited in the federal or allocation account. The refund or rebate must then be allocated between the federal and nonfederal accounts according to the same allocation ratio used to allocate the original disbursement. The federal account must transfer the non-federal portion to the nonfederal account.

Example

A committee receives a \$400 rebate on office equipment from the Acme Office Store. The original purchase was an administrative expense allocated according to the following ratio: 64 percent federal; 36 percent nonfederal.

Reporting Method 1 illustrates how this rebate would be reported according to the method approved in Advisory Opinion (AO) 1995-22. Reporting Method 2 shows how the rebate would be reported under an alternative method.

Reporting Method 1

Using the method of reporting described in AO 1995-22, the committee discloses the receipt of the rebate and the federal and nonfederal shares on Schedule H4.

The amounts are negative entries subtracted from total shared federal and nonfederal disbursements for the reporting period (disclosed on Lines 21a(i) and (ii) of the Detailed Summary Page).

Reporting Method 2

Under the alternative method, the committee reports the receipt of the \$400 rebate under the category "Offsets to Operating Expenditures" on

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